# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF INDIANA NEW ALBANY DIVISION

IN RE:	)	Chapter 11
EASTERN LIVESTOCK CO., LLC,	)	Case No. 10-93904-BHL-11
Debtor.	)	Hon. Basil H. Lorch III

# TRUSTEE'S MOTION FOR AUTHORITY TO DESTROY DOCUMENTS AND TO PAY THE COSTS ASSOCIATED WITH THE DESTRUCTION

James A. Knauer, the Chapter 11 Trustee appointed in this case ("Trustee"), by counsel, requests entry of an order, pursuant to 11 U.S.C. §§105 and 503, authorizing the Trustee to shred and destroy documents located at Eastern Livestock Co., LLC's ("ELC") document storage facility The Data Vault located in Louisville, Kentucky and to pay the costs associated with the shredding and destruction as an administrative expense on the following grounds:

#### I. JURISDICTION

- 1. The Court has jurisdiction over this motion pursuant to 28 U.S.C. §§157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. §157(b)(2).
  - 2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
- 3. The statutory predicates for relief are sections 105 and 503 of Title 11 of the United States Code (the "Bankruptcy Code").

### II. BACKGROUND

- 4. On December 6, 2010, petitioning creditors commenced the above-captioned chapter 11 case against Debtor by filing an involuntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C.§§101 et seq. On December 27, 2010 the James A. Knauer was appointed as Trustee.
- 5. In connection with the preparation with the preference and adversary cases filed by the Trustee on behalf of ELC, The Data Vault has stored approximately 924 boxes of documents ("Documents") since the inception on the case.

- 6. The estimated costs for the shredding and destruction of the Documents is \$6,400.00.
- 7. The Trustee currently pays a monthly fee of \$372.95 to store the boxes with The Data Vault. The Trustee has determined that it would be the best economical sense to have the Documents shredded and destroyed.

#### **III. RELIEF REQUESTED**

8. The Trustee requests entry of an order, pursuant to section 105 of the Bankruptcy Code, authorizing the Trustee to (a) shred and destroy the Documents in an environmentally responsible manner; and (b) pay the costs associated with the shredding and destruction of the Documents as an administrative expense of the Debtor's bankruptcy estate.

#### IV. GROUNDS FOR GRANTING RELIEF

- 9. Section 105(a) of the Bankruptcy Code provides that "[t]he Court may issue any order, process, or judgement that is necessary or appropriate to carry out the provisions of this title."
- 10. In addition, pursuant to section 503(b)(1)(A) of the Bankruptcy Code, after notice and a hearing, the Court can allow administrative expenses for "the actual, necessary costs and expenses of preserving the estate." A claim is entitled to administrative status when such claim (a) arises from a post-petition transaction with the estate, and (b) the cosndieration for such payment is supplied to and benefited the estate. See Matter of Jartrain, Inc., 732 F.2d 584, 586 (7th Cir. 1984).
- 11. The removal and destruction of the Documents will benefit the bankruptcy estate in that it will no longer have to pay a monthly fee for storage of the Documents. As such, the costs associated with the shredding and destruction of the Documents is an actual, necessary cost and expense of preserving assets of the bankruptcy estate.

WHEREFORE, the Trustee respectfully requests entry of an order authorizing: (i) the Trustee to shred and destroy the Documents in an environmentally responsible manner; (ii) payment of the costs associated with the shredding and destruction of the Documents as an administrative expense of the bankruptcy estate; and (iii) granting the Trustee all other just and proper relief.

Respectfully submitted,

KROGER, GARDIS & REGAS, LLP

By: /s/ James A. Knauer

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## **CERTIFICATE OF SERVICE**

I hereby certify that on November 6, 2017, a copy of the foregoing pleading was filed electronically. Notice of this filing will be sent to the following parties through the Court's Electronic Case Filing System. Parties may access this filing through the

Court's system.

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I further certify that on November 6, 2017, a copy of the foregoing pleading was served via electronic mail transmission on the following:

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